

## Message Text

UNCLASSIFIED

PAGE 01 QUITO 00374 181516Z  
ACTION H-02

INFO OCT-01 ARA-10 ISO-00 EB-07 AID-05 IGA-02 COME-00  
TRSE-00 L-03 CU-04 /034 W  
-----181754Z 080514 /43  
R 181255Z JAN 77  
FM AMEMBASSY QUITO  
TO SECSTATE WASHDC 2907

UNCLAS QUITO 0374

E.O. 11652: N/A  
TAGS: EAID, EFIN, OREP, EC  
SUBJECT: SENATOR GRAVEL'S PAPER ON TAXATION FOR DEVELOPMENT  
ASSISTANCE

REF: STATE 009837

1. FOLLOWING IS VERBATIM TEXT OF SUBSTANTIVE PORTION OF  
LETTER SIGNED OY AMBASSADOR WHICH WAS NOT (REPEAT NOT)  
SENT TO SENATOR GRAVEL BECAUSE OF REFTEL:

2. "YOUR ANALYSIS OF THE MANY FACTORS IMPINGING ON A MORE  
SUCCESSFUL EFFORT BY THE DEVELOPED COUNTRIES IS VERY ACCURATE.  
TRANSFER OF RESOURCES BY THE DEVELOPED COUNTRIES IS FLAGGING.  
FURTHER FUNDS FOR THE INTERNATIONAL DEVELOPMENT INSTITU-  
TIONS AND U.S. PRIVATE VOLUNTARY ORGANIZATIONS (PVOS) ARE  
NECESSARY. DEVELOPING COUNTRIES ARE BECOMING MORE AGGRESSIVE  
IN THEIR DEMANDS AS THEY FIND THEMSELVES FALLING BEHIND THE  
INDUSTRIAL NATIONS. WHIL MULTINATIONAL COMPANIES REMAIN A  
VERY EFFECTIVE VEHICLE FOR RECEIPT OF CAPITAL AND TECHNOLOGY,  
THEY ARE, AS YOU POINT OUT, SUBJECT TO BOTH FAIR AND UNFAIR  
CRITICISMS BY THE LDCS.

3. "IN BRIEF, WHILE I AGREE WITH THE PAPER ON ALL OF THE  
SYMPTOMS MENTIONED AND THE INTENDED RESULT OF INCREASING  
U.S. PARTICIPATION IN THE DEVELOPMENT OF THE LDCS, I AM NOT  
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SUFFICIENTLY KNOWLEDGEABLE ABOUT THE COMPLEXITIES OF TAX  
MATTERS TO COMMENT ON THE FEASIBILITY OF YOUR TAX CREDIT  
PROPOSAL AS AN APPROPRIATE VEHICLE.

4. "AL I CAN SAY IS THAT IT DESERVES SERIOUS CONSIDERATION,  
GIVEN THE IMPORTANT RESULTS YOU SEEK; TO WIT, MORE CONSTRUC-  
TIVE INVOLVEMENT OF MULTINATIONAL CORPORATIONS IN THE

DEVELOPMENT PROCESS, LARGER PARTICIPATION BY THE U.S. (AND  
PERHAPS OTHERS) THROUGH INTERNATIONAL DEVELOPMENT INSTITU-  
TIONS AND PVOS, AND A GREATER INPUT INTO THE HIGH PRIORITY  
FIELD OF EDUCATION."  
BLOOMFIELD

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TAX LAW, DEVELOPMENT PROGRAMS, MULTINATIONAL CORPORATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 18-Jan-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01-Jan-1960 12:00:00 am  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977QUITO00374  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770018-0882  
**Format:** TEL  
**From:** QUITO  
**Handling Restrictions:** n/a  
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**Litigation History:**  
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**Message ID:** d57347d5-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION H  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 STATE 9837  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 23-Sep-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3571685  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SENATOR GRAVEL'S PAPER ON TAXATION FOR DEVELOPMENT ASSISTANCE  
**TAGS:** EAID, EFIN, OREP, EC, (GRAVEL, MIKE)  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/d57347d5-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
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